

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1319 - HB 1817**

March 25, 2011

**SUMMARY OF BILL:** Authorizes a nursing home or nursing home affiliate to employ a physician as long as the nursing home does not restrict or interfere with medically appropriate diagnostic or treatment decisions or with physician referral decisions unless the physician agrees to the restriction and the restriction does not adversely affect the patient's health or welfare. Prohibits a nursing home affiliate that employs physicians from engaging in any business other than the employment or management of physicians or ownership of property and facilities. Prohibits the nursing home or affiliate from requiring that an employed physician must relinquish staff privileges at a hospital before, during, or after employment or restrict the employed physician's right to practice medicine after the employment relationship has ended.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

**Assumptions:**

- The Board for Licensing Health Care Facilities will be responsible for the enforcement which will be handled through the investigations of complaints and the regular schedule of inspections. Any increase in expenditures will not be significant and can be accommodated within existing resources.
- Any necessary rulemaking can be accomplished during a regularly scheduled board meeting.
- Pursuant to Tenn. Code Ann. § 68-11-216, the Board for Licensing Health Care Facilities is required to be self-supporting over a two-year period. The Board for Licensing Health Care Facilities had a balance of \$392,654.16 in FY09-10 and a balance of \$110,798.34 in FY08-09.
- No impact to TennCare or the reimbursements of nursing home facilities.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/kml